

MEMBER OF PARLIAMENT
(LOK SABHA)



Parliament House,
New Delhi.

July 23, 1969.

Dear Prime Minister,

As you are aware, the Supreme Court has admitted certain petitions challenging the validity of the Banking Companies (Acquisition and Transfer of Undertakings) Ordinance and has passed an Order restraining Government from taking certain actions under the Ordinance until the disposal of the case after the hearing which has been fixed for August 11.

This is the first case of its kind in which the Supreme Court is sitting in judgement on an Ordinance. A reference to the petitions will show that, apart from the manner of enactment of the Ordinance in question, the substance of the Ordinance, namely, nationalisation of banks, is also being questioned. Thus the entire issue of bank nationalisation is now before the Supreme Court and is, therefore, sub judice.

It has been the tradition of Parliament not to undertake discussion or consider legislation in regard to any matter which is sub judice, and we write to request you that you will kindly ensure that this tradition is maintained.

We write to you because we have read in the press of a statement made by certain of our colleagues in Parliament asking Government to introduce a Bill for the nationalisation of banking companies even while the matter is sub judice and the hearing before the Supreme Court is pending. In our view, this advice is extremely misconceived and mischievous and we sincerely hope you will not give any countenance to it as it would involve disrespect for the Supreme Judiciary and a departure from the spirit of the Rule of Law.

We would also urge on you a somewhat pragmatic consideration which is that Government and Parliament would be in a better position to know on what lines legislation of this nature should be considered once the judgement of the Supreme Court is available. This would also make it possible for another reference to the Supreme Court and the possibility of any legislation enacted by Parliament being struck down by the Supreme Court being avoided. Quite apart, therefore, from whether one is for or against nationalisation, it would be desirable that Parliament considers this matter after the Supreme Court has delivered its judgement.

MEMBER OF PARLIAMENT
(LOK SABHA)



- 2 -

The present Ordinance, except to the extent that its operation has been stayed by the interim judgement of the Supreme Court, will remain valid for six weeks, that is, till the end of this Session. Since the judgement of the Supreme Court is expected on 12th or 13th August, you will appreciate that there will be ample time for a Bill of this nature, if Government so desire, to be discussed, adopted and passed by both Houses of Parliament before the end of this Session.

Yours faithfully,

Mrs. Indira Gandhi,
Prime Minister of India,
New Delhi.

7060 Cables
454
511 *M. Dasgupta*

Rustamji
473
Mogulabhai *573*

Dr. Ambedkar
492

Dr. Jaisankar
520

Sundar *main*
R.S. 233

Prasanna
472
521

Shankar
501

Prasad
474

Sanjay
471

Sanjay